

## Message Text

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PAGE 01 STATE 152924  
ORIGIN TRSE-00

INFO OCT-01 EUR-12 EA-07 IO-13 ISO-00 FEA-01 AGRE-00  
CEA-01 CIAE-00 COME-00 DODE-00 EB-07 FRB-03 H-01  
INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01  
EPG-02 AID-05 SS-15 STR-04 ITC-01 USIA-06 PRS-01  
SP-02 OMB-01 /108 R

DRAFTED BY TREASURY:FVUKMANIK  
APPROVED BY EB/ITP:WBARRACLOUGH  
EB/OT/TA:TWESTON

EA/J:SECTON

-----014740 010422Z /21

R 302145Z JUN 77  
FM SECSTATE WASHDC  
TO AMEMBASSY TOKYO  
INFO AMEMBASSY PARIS  
AMEMBASSY BRUSSELS  
USMISSION GENEVA

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USOECD, USEEC, USMTN

E.O. 11652:N/A

TAGS:ETRD, EIND, JA

SUBJECT: CLARIFICATION OF BERGSTEN'S STATEMENT ON STEEL

REF: TOKYO 09047

1. EMBASSY MAY INFORM GOJ THAT PARTS OF BERGSTEN'S STATEMENT ON STEEL (SEE REF TOKYO 09047) WERE MISQUOTED OR TAKEN OUT OF CONTEXT BY PRESS, WHICH WAS BRIEFED BY JAPANESE BUSINESSMEN AND DID NOT REPEAT NOT HEAR BERGSTEN'S  
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PAGE 02 STATE 152924

REMARKS. EMBASSY MAY DRAW ON FOLLOWING POINTS FOR CLARIFICATION:

2. BERGSTEN DID NOT REPEAT NOT CALL FOR A VRA IN STEEL WITH JAPAN. TO THE CONTRARY, HE STATED THAT THE ADMINISTRATION IS AGAINST TRADE DISTORTING DEVICES SUCH AS VRAS. THE ADMINISTRATION WANTS TO AVOID ENACTMENT

OF TRADE DISTORTING MEASURES BY OTHER COUNTRIES AND UNWIND THOSE WHICH NOW EXIST. IT IS NOT REPEAT NOT THINKING OF SEEKING NEW DISTORTING MEASURES.

3. BERGSTEN STATED THAT THE EC-JAPAN VRA INCREASED THE RISK OF DEFLECTION OF JAPANESE STEEL EXPORTS TO THE UNITED STATES. HE NOTED THAT JAPANESE STEEL EXPORTS TO THE UNITED STATES INCREASED AFTER THE EC-JAPAN VRA ON STEEL

WASSIGNED, AND THAT EC STEEL EXPORTS TO THE UNITED STATES DROPPED. HE DID NOT REPEAT DID NOT STATE THAT JAPANESE STEEL EXPORTS TO THE UNITED STATES INCREASED AS A RESULT OF THE EC-JAPAN VRA ON STEEL.

4. BERGSTEN INDICATED THAT THE USG IS PURSUING TWO OBJECTIVES IN THE OECD AND OTHER INTERNATIONAL FORUMS: TO EXPRESS ITS STRONG CONCERN OVER TRADE DISTORTING MEASURES UNDERTAKEN BY OTHER COUNTRIES, AND TO GAIN A BETTER UNDERSTANDING OF STEEL TRADE AND THE STRUCTURE OF STEEL INDUSTRIES IN MAJOR PRODUCING COUNTRIES, E.G., THE EC AND JAPAN. HE NOTED THAT ALLEGATIONS ARE MADE THAT THE BASIC STRUCTURE OF THE JAPANESE STEEL INDUSTRY AND THE RELATION OF THE GOJ TO THE INDUSTRY ENABLES JAPANESE STEEL COMPANIES TO BE LESS CONSCIOUS OF PROFIT MARGINS THAN AMERICAN STEEL COMPANIES.

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PAGE 03 STATE 152924

VANCE

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, EXPORTS, STEELS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 30-Jun-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE152924  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** FVUKMANIK  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770234-1035  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 35fc7f72-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 TOKYO 9047  
**Retention:** 0  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
**SAS ID:** 1991517  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CLARIFICATION OF BERGSTEN'S STATEMENT ON STEEL  
**TAGS:** ETRD, EIND, JA, US  
**To:** TOKYO  
**Type:** TE  
**vdkvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/35fc7f72-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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